

The General Capital Fund covers the construction and renovation of a wide variety of public facilities, the acquisition of new and replacement equipment, and other community improvements. This category includes capital projects funded by General Fund revenues such as property tax, sales tax, and fees for service.

Revenues

The primary sources of current revenue for General Capital projects are shared with the General Fund, such as sales tax. Proceeds from the additional tax levy for the Municipal Services District (Downtown) are also accounted for in this fund. Additional sources include issuance of debt, currently made possible by installment purchase (leasing), and interest on investment of fund balance.

Expenditures

Projects included in this fund reflect priorities identified in the FY 2009 Capital Budget of the 2009-2013 Capital Improvement Program. They include the following:

- Replacement of City Hall roof (debt);
- Repairs to Train Station;
- Payment of debt service for Braswell Library (shared with Nash and Edgecombe Counties, ends in 2010);
- Repayment of Section 108 Loans used for partial funding of economic development and community reinvestment projects (Douglas Block, Crossing @ 64, Booker T. Washington High School);
- Purchase of replacement Fire Pumper (debt);
- Renovations and improvements to Headquarters Fire Station and Life Safety Emergency Management Complex (debt);
- Initial design and planning for new Fire Station;
- Replacement of HVAC system at Senior Center (debt); and
- Improvements to Sports Complex and City Lake.

Summary

Category/Description	FY 2009 Adopted Budget
General Facilities	275,000
Public Safety	985,000
Cultural Arts	1,489,000
Economic Development	160,000
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	2,909,000
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FUND SUMMARY

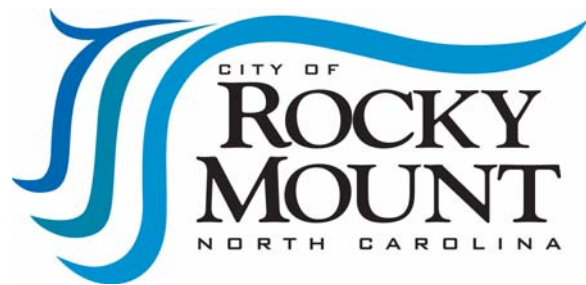
General Capital

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
Capital Downtown Development					
<u>Operating Expense</u>					
DESIGN PLAN	82,157	-	-	-	-
	82,157	-	-	-	-
<u>Transfers Out</u>					
INTERFUND TRANSFER -FUND 460	-	-	51,569	-	-
	-	-	51,569	-	-
Total	82,157	-	51,569	-	-
Capital General Projects					
<u>Operating Expense</u>					
REPAIRS-BUILDING-OIC	19,526	-	-	-	-
	19,526	-	-	-	-
<u>Capital Outlay</u>					
BLDGS STRUCTURES IMPROVE	-	80,000	80,950	275,000	195,000
OTHER STRUCTURES IMPROVEMENTS	15,708	25,000	25,000	-	(25,000)
	15,708	105,000	105,950	275,000	170,000
Total	35,234	105,000	105,950	275,000	170,000
Capital Police					
<u>Operating Expense</u>					
DESIGN PLAN	-	-	23,100	75,000	75,000
	-	-	23,100	75,000	75,000
<u>Capital Outlay</u>					
BLDGS STRUCTURES IMPROVE	-	-	195,000	-	-
	-	-	195,000	-	-
Total	-	-	218,100	75,000	75,000
Capital Fire					
<u>Capital Outlay</u>					
SQUAD TRUCK	348,540	-	-	-	-
FIRE EQUIPMENT	-	440,000	440,000	460,000	20,000
BLDGS STRUCTURES IMPROVE	527,302	15,000	7,000	450,000	435,000
	875,842	455,000	447,000	910,000	455,000
Total	875,842	455,000	447,000	910,000	455,000
Capital Neighborhood Programs					
<u>Capital Outlay</u>					
RECREATION EQUIPMENT	29,622	-	-	-	-
	29,622	-	-	-	-
Total	29,622	-	-	-	-

FUND SUMMARY

General Capital

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
Capital Cultural Arts					
<u>Operating Expense</u>					
SUPPLIES - RECREATION	-	-	19,010	-	-
REPAIRS-BUILDING	-	-	28,645	-	-
REPAIRS-EQUIPMENT	-	-	1,000	-	-
MEMORIAL TREE PURCHASES	2,500	-	-	-	-
MISCELLANEOUS EXPENSE	-	-	900	-	-
GRANT MATCH BATPK	25,000	-	-	-	-
	27,500	-	49,555	-	-
<u>Obligations</u>					
MAINT & SERVICE CONTRACT	-	-	4,345	-	-
	-	-	4,345	-	-
<u>Debt Service</u>					
OTHER DEBT	100,000	100,000	100,000	100,000	-
LEASE PAYMENTS-BUILDING	694,083	672,000	672,000	649,000	(23,000)
	794,083	772,000	772,000	749,000	(23,000)
<u>Capital Outlay</u>					
OTHER EQUIPMENT	-	-	2,860	-	-
BLDGS STRUCTURES IMPROVE	37,571	50,000	50,000	-	(50,000)
BUILDING-MAJOR REPAIRS	59,914	150,000	95,150	425,000	275,000
PARKS IMPROVEMENTS	-	-	-	-	-
LAKE IMPROVEMENTS	-	-	-	65,000	65,000
	97,485	200,000	148,010	490,000	290,000
<u>Transfers Out</u>					
INTERFUND TRANSFER -FUND 460	45,063	193,000	190,140	250,000	57,000
	45,063	193,000	190,140	250,000	57,000
	964,130	1,165,000	1,164,050	1,489,000	324,000
Total					
Capital Economic Development					
<u>Operating Expense</u>					
108 LOAN REPAYMENT	-	100,000	96,900	160,000	60,000
	-	100,000	96,900	160,000	60,000
<u>Capital Outlay</u>					
LAND	35,093	-	-	-	-
OTHER STRUCTURES IMPROVEMENTS	1,561	-	-	-	-
	36,654	-	-	-	-
	36,654	100,000	96,900	160,000	60,000
Fund Total	2,023,639	1,825,000	2,083,569	2,909,000	1,084,000



Powell Bill projects are funded by state share revenues and are used for projects related to maintenance of the City's surface transportation system. This system is comprised of roadways that are the responsibility of the City of Rocky Mount in accordance with agreements with the North Carolina Department of Transportation. This fund consists primarily of capital projects, the type and extent to which are governed by statutory limitations of the Powell Bill authorizing legislation. These projects enable the City to maintain an aggressive program of resurfacing, road maintenance, and sidewalk repair and installation.

Revenues

The primary source of funding in this fund is the Powell Bill authorization granted by the State on an annual basis to municipalities from proceeds of the state gasoline tax. The authorization is based on a funding formula, with 25% representative of roadway mileage and 75% for relative population. The FY 2009 revenue projection for this allocation is based on the allocation for the current fiscal year, with increases taking into account anticipated growth in state funding levels and the addition of roadway and population resulting from annexation taking effect June 30, 2008. Additional revenues are also received from assessments and interest income, reimbursements from the State of North Carolina for improvements as per municipal agreements, and allocation of fund balance.

Expenditures

The adopted budget for FY 2009 represents the capital budget communicated in the 2009-2013 Capital Improvement Program. The largest share of funds is dedicated for our ongoing street resurfacing program (\$900,000), which includes an allocation of fund balance. Funding is also allocated for sidewalk repair (\$100,000), traffic signal improvements (\$60,000), implementation of traffic separation mitigation initiatives (\$150,000), and sidewalk expansion planned in conjunction with our current Congestion Mitigation and Air Quality grant (\$225,000). Funding is also provided, as in past years, for reimbursing the General Fund (\$300,000) and Stormwater Fund (\$300,000) for work related to surface transportation system maintenance.

Summary

Category/Description	FY 2009 Adopted Budget
Street Resurfacing	900,000
Sidewalks	336,000
Signal Systems	60,000
Matching NCDOT Projects	97,130
Improving Existing Roadways	452,000
Downtown Streetscape Transfer	225,000
Reimbursement Transfers	600,000
Eligible Equipment	90,000
	2,760,130

FUND SUMMARY

Powell Bill

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
<u>Operating Expense</u>					
STREET MARKINGS	25,000	35,000	-	35,000	-
STREET MARKINGS PB001	-	-	35,000	-	-
REPAIRS-SIDEWALKS	98,973	75,000	75,000	100,000	25,000
OTHER SERVICES- STUDY	107,087	-	15,200	15,000	15,000
GRANT MATCH	-	140,000	140,000	225,000	85,000
	231,059	250,000	265,200	375,000	125,000
<u>Capital Outlay</u>					
OTHER EQUIPMENT	-	-	-	90,000	90,000
ROAD RESURFACING	431,450	850,000	8,263	900,000	50,000
ROAD RESURFACING PB003	-	-	947,437	-	-
NCDOT MATCH PROJECTS	8,955	-	-	97,130	97,130
NCDOT MATCH PROJECTS E1001	90,963	-	-	-	-
NCDOT MATCH PROJECTS PB031	-	-	17,000	-	-
REGULATORY SIGN REPLACEMENT	40,000	-	-	-	-
ROADWAY & PAVEMENT	24,926	-	-	85,000	85,000
ROADWAY & PAVEMENT FOUNT	-	-	600,000	-	-
ROADWAY & PAVEMENT PB004	-	-	100,000	100,000	100,000
DIRT STREET PAVING	35,870	-	-	-	-
TRAFFIC/SIGNAL SYSTEM IMPROV	50,000	-	-	60,000	60,000
INTERSECTION SPOT IMPROVEMENTS	-	-	-	50,000	50,000
TRAFFIC SEPARATION MITIGATION	57,000	175,000	-	-	(175,000)
TRAFFIC SEPARATION MITIGATION CMAQ	-	-	32,000	-	-
TRAFFIC SEPARATION MITIGATION TSM	-	-	286,800	150,000	150,000
LANDSCAPING	-	-	-	17,000	17,000
SIDEWALKS	167,976	256,000	64,846	-	(256,000)
SIDEWALKS CMAQ	-	-	237,554	236,000	236,000
SIDEWALKS E1002	-	-	188,600	-	-
	907,140	1,281,000	2,482,500	1,785,130	504,130
<u>Admin Service Charge</u>					
CHARGES FOR SERVICE-GENERAL	450,000	300,000	300,000	300,000	-
	450,000	300,000	300,000	300,000	-
<u>Transfers Out</u>					
INTERFUND TRANSFER - FUND 450	68,000	-	-	-	-
INTERFUND TRANSFER - FUND 640	400,000	300,000	300,000	300,000	-
	468,000	300,000	300,000	300,000	-
Total	2,056,200	2,131,000	3,347,700	2,760,130	629,130

Emergency Telephone Fund appropriations provide the funding necessary to maintain and upgrade the equipment and services utilized by our public safety telecommunications (E-911) operations.

Revenues

The primary source of funding in this fund is proceeds from monthly taxes charged on each exchange access facility subscribed to by telephone or cellular subscribers. Prior to FY 2008, this state tax was collected on the local level. It is now collected by the State as part of telecommunications reform and remitted back to local jurisdictions in a “hold harmless” manner.

Expenditures

This fund is utilized for the following purposes:

- The lease, purchase, or maintenance of emergency telephone equipment. This includes necessary computer hardware, software, and database provisioning, addressing, and non-recurring costs of the E-911 system;
- Charges associated with the service supplier’s E-911 service and other service contracts; and
- Identify and implement improvements to emergency telecommunications, such as Reverse 911.

In the past, the City has attempted to utilize proceeds from this fund for the compensation of staff involved in providing or maintaining our emergency telecommunications system. These requests have been denied by the state, which requires us to fund staff costs with revenues from the General Fund.

Summary

Category/Description	FY 2009 Adopted Budget
Maintenance & Service Contracts	200,000
Computer Equipment	50,000
	250,000

FUND SUMMARY**Emergency Telephone**

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
<u>Operating Expense</u>					
SUPPLIES-MISCELLANEOUS	3,987	25,000	24,370	-	(25,000)
TRAVEL-CONFERENCE/SCHOOLS	-	-	630	-	-
REPAIRS-EQUIPMENT	-	5,000	5,000	-	(5,000)
	3,987	30,000	30,000	-	(30,000)
<u>Obligations</u>					
MAINT & SERVICE CONTRACT	203,279	280,000	280,000	200,000	(80,000)
	203,279	280,000	280,000	200,000	(80,000)
<u>Capital Outlay</u>					
COMPUTER EQUIPMENT	57,391	80,000	80,000	50,000	(30,000)
	57,391	80,000	80,000	50,000	(30,000)
<u>Transfers Out</u>					
INTERFUND TRANSFERS-FUND 110	-	-	1,244,173	-	-
	-	-	1,244,173	-	-
Total	264,657	390,000	1,634,173	250,000	(140,000)

The Debt Service Fund serves as special revenue fund for the purpose of handling long term financial obligations, including bonds issues by the City for capital improvements and contributions to Nash-Rocky Mount Schools.

Current Debt Service

The City has the capability of issuing, with public approval through referendum, General Obligations bonds for general government and utility improvements, as well as Revenue Bonds (which do not require referendum approval) for utility improvements and special purposes. These bonds can be issued in accordance with internal City policies and applicable State regulations. They are usually issued as 25-year bonds with equal amounts of principal maturing each year.

Currently, the City has the following bonded debt outstanding:

1998 Water and Sewer Refunding Bonds (General Obligation) \$ 3,660,000
Due in annual installments of \$1,585,000 to \$2,060,000; maturing through 2010; interest at 4.25% to 5%

The annual requirements to retire outstanding principal and interest on outstanding general obligation bonded indebtedness, as of June 30, 2008, as follows:

Year Ending	Bond Obligation Principal	Bond Obligation Principal	Bond Obligation Total
2009	1,845,000	183,000	2,028,000
2010	1,815,000	90,750	1,905,750
	3,660,000	273,750	3,933,750

For the 9th consecutive year, the City maintained an A1 bond rating from Moody's Investor Services and A+ from Standard & Poor's Corporation. This bond rating is a clear indication of the sound financial condition of the City and serves as a primary factor in keeping interest costs low on the City's current and future outstanding debt.

Legal Debt Margin

The State of North Carolina limits the general obligation borrowing of the City to 8% of its total appraised value of property subject to City taxation (N.C. General Statute 150-55 (c)). Exemptions from this limit are made for bonds issued for electric and water systems (N.C. General Statute 150-55 (c)(2)), and sewer systems (N.C. General Statute 150-55 (c)(3)). The City's legal debt margin, as of June 30, 2007, is as follows:

Assessed Value for Taxation	3,127,185,203
Legal Debt Margin (8%)	250,174,816
Debt Applicable to Limitation (As of June 30, 2007)	
Total Outstanding Bonded Debt	5,535,000
Less Statutory Deductions	(5,535,000)
Total Debt Applicable to Limitation	-
Remaining Legal Debt Margin	250,174,816

Currently, the City utilizes installment financing and revolving loans for purchases and projects that require debt issuance. The debt incurred through these means is not applicable to limitation by debt margin and is evaluated on other aspects of City fiscal health by the Local Government Commission.

Nash-Rocky Mount Schools Obligation

During FY 1991-1992, the North Carolina General Assembly enacted legislation providing for the merger and consolidation of the School Administrative Units in Nash County and the City of Rocky Mount. The legislation enacted the "Nash-Rocky Mount Board of Education" and became effective on July 1, 1992. The Board was given the responsibility to operate and administer all of the public schools in the new administrative unit, which included schools located in Edgecombe County that were part of the former City of Rocky Mount administrative unit. Funding is provided by Nash County, Edgecombe County, and the City.

The consolidation agreement established financial commitments for the City of Rocky Mount for funding operations of Nash-Rocky Mount Schools. First, the City was required to contribute \$5,000,000 in 10 equal installments of \$500,000 (beginning July 1, 1992). All payments under this portion of the arrangement have been paid. Concurrently, the City also agreed to contribute an amount equal to the current per student appropriation differential that exists between Nash and Edgecombe Counties each year on an indefinite basis. This contribution is calculated on an arrears basis by comparing the per student appropriations of both counties, determining the difference, and multiplying it by the number of Nash-Rocky Mount School students living in the territory of the City of Rocky Mount located in Edgecombe County. Adjustments are made on an annual basis to reflect surpluses and deficits in funding for prior years.

City of Rocky Mount payments to Nash-Rocky Mount Schools cannot be derived from tax revenues. Therefore, the sources of funding for these contributions are various City utilities (Electric, Gas, Water).

Revenues

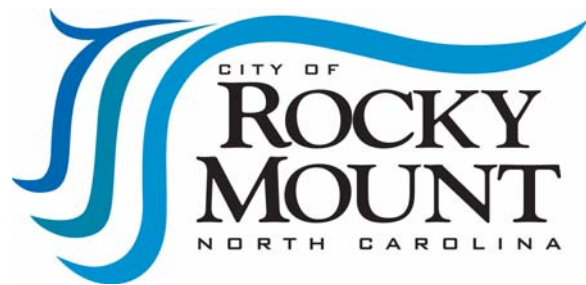
The primary source of funding in this fund is transfers from those funds that are responsible for debt obligations paid through the fund, including the contribution to Nash-Rocky Mount Schools.

Expenditure Summary

Category/Description	FY 2009 Adopted Budget
Bond Principal	1,845,010
Bond Interest	183,010
Contribution to Schools	676,010
	<u>2,704,030</u>

FUND SUMMARY**Debt Service**

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
<u>Debt Service</u>					
BOND PRINCIPAL-WATER	825,289	808,650	808,650	795,130	(13,520)
BOND PRINCIPAL-SEWER	1,089,711	1,066,950	1,066,950	1,049,880	(17,070)
BOND INTEREST-WATER	151,541	128,090	128,090	78,870	(49,220)
BOND INTEREST-SEWER	200,094	198,410	198,410	104,140	(94,270)
OTHER DEBT	1,193,133	429,185	429,185	676,010	246,825
	3,459,768	2,631,285	2,631,285	2,704,030	72,745
Total	3,459,768	2,631,285	2,631,285	2,704,030	72,745



The Canteen Fund is used to account for transactions related to assets held by the City as an agency for individuals and other governmental units.

Revenues

Funding is derived from contributions related to the services accounted for, including commissions from vending machine sales, event receipts, drug forfeitures, and donations.

Expenditures

Activities budgeted include:

- Canteen expenses for City facilities
- Police and Fire training
- Crime prevention donations
- Human Relations Program
- Fire Rescue House
- Scholarships
- Federal, state, and local drug enforcement
- Down East Festival

FUND SUMMARY

Canteen

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
Other					
CANTEEN-CITY HALL	2,665	5,900	5,900	4,400	(1,500)
CANTEEN-ENVIRONMENTAL SERVICES	-	730	730	1,150	420
CANTEEN-FIRE	-	3,900	3,900	3,900	-
CANTEEN-FLEET	405	990	990	1,400	410
CANTEEN-PARKS & REC	21,978	26,400	26,400	17,650	(8,750)
CANTEEN-PG&W	308	1,980	1,980	1,930	(50)
CANTEEN-SEWER PLANT	-	720	720	760	40
CANTEEN-STREETS	120	130	130	220	90
CANTEEN-CRIME PREVENTION	-	230	230	200	(30)
CANTEEN-D.A.R.E.	5,829	20,820	20,820	17,180	(3,640)
CANTEEN-DOWN EAST FESTIVAL	36,322	40,000	40,000	40,000	-
CANTEEN-RECREATION SCHOLARSHIP	-	11,000	11,000	11,000	-
CANTEEN-FEDERAL DRUG FUNDS	17,079	201,800	210,800	159,330	(42,470)
CANTEEN-STATE DRUG FUNDS	60,989	145,000	145,000	49,520	(95,480)
CANTEEN-EMP EMERGENCY	976	1,000	1,000	5,130	4,130
CANTEEN-FIRE EDUCATION HOUSE	278	14,550	16,550	20,290	5,740
CANTEEN-FIRE TRAINING	4,055	4,200	4,200	4,190	(10)
CANTEEN-GREENWAY	-	5,850	5,850	5,860	10
CANTEEN-DOWN EAST FOOTBALL	8,877	18,000	18,000	10,000	(8,000)
CANTEEN-KINGS DOMINION TICKETS	31,761	-	-	-	-
CANTEEN-LITERACY COUNCIL	-	8,840	8,840	8,840	-
CANTEEN-MARTIN LUTHER KING	5,639	38,500	62,500	40,000	1,500
CANTEEN-MAYORS COMM DRUG/ALCOH	-	130	130	130	-
CANTEEN-SPECIAL EVENTS	19,813	50,000	50,000	40,000	(10,000)
CANTEEN-SCHOLARSHIP-FIREMAN GR	-	12,300	29,300	47,900	35,600
CANTEEN-SCHOLARSHIP-FS WILKINS	3,045	500	500	400	(100)
CANTEEN-SCHOLARSHIP-JOHN ROOKS	-	420	420	440	20
CANTEEN-SCHOLARSHIP-JOHN SYKES	1,739	19,200	19,200	16,330	(2,870)
CANTEEN-TEEN CLUB	-	180	180	180	-
CANTEEN-YOUTH SPORTS	1,557	7,320	7,320	5,790	(1,530)
CANTEEN-VEH ACCIDEND REVIEW BR	-	2,800	2,800	2,770	(30)
CANTEEN - GAS ASSOCIATION	-	1,830	1,830	1,830	-
CANTEEN-KAB	2,685	4,700	4,700	1,000	(3,700)
CANTEEN-YOUTH COUNCIL	4,949	7,300	7,300	-	(7,300)
CANTEEN - FIRE RESCUE HOUSE	2,467	3,900	3,900	-	(3,900)
CANTEEN - DOWNTOWN DEVELOPMENT	5,299	15,300	15,300	14,470	(830)
CANTEEN-FRIENDS SPORTS COMPLEX	-	680	13,680	15,000	14,320
CANTEEN - POLICE	-	-	14,500	5,430	5,430
	238,835	677,100	756,600	554,620	(122,480)
Total	238,835	677,100	756,600	554,620	(122,480)

The Risk Management Fund is used to account for premiums paid for health insurance for employees and their dependents and their allocation to claims handled by the City's self-funded health program.

Revenues

Funding is provided by employee and dependent insurance premiums. The City pays 100% of employee premiums, which are budgeted in each operating fund and recorded as revenue in the Risk Management Fund. Employees are responsible for paying premiums for dependent coverage.

Expenditures

Claims against the City's health insurance program are managed by the Risk Management Fund. On occasion, fund balance can be used to provide funding for other health improvement programs, such as screenings and personal development activities.

FUND SUMMARY

Self Funded Insurance

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	Difference
<u>Obligations</u>					
INSURANCE CLAIMS PAID-RETIREEES	1,097,098	-	-	-	-
INSURANCE CLAIMS PAID-AIRPORT	108,118	-	-	-	-
INSURANCE CLAIMS PAID-LIBRARY	113,608	-	-	-	-
INSURANCE CLAIMS PAID -HTLHMAP	-	-	-	-	-
INSURANCE CLAIMS PAID-GENERAL	2,076,298	5,445,950	5,445,950	4,500,000	(945,950)
INSURANCE CLAIMS PAID-TRANSIT	607	-	-	-	-
INSURANCE CLAIMS PAID-ELECTRIC	136,821	-	-	-	-
INSURANCE CLAIMS PAID-GAS	26,008	-	-	-	-
INSURANCE CLAIMS PAID-WATER	195,718	-	-	-	-
INSURANCE CLAIMS PAID-SEWER	49,984	-	-	-	-
INSURANCE CLAIMS PAID-STORMWTR	64,886	-	-	-	-
HEALTHMAP PHARMACIST FEES	-	-	-	-	-
RISK MGMT ADMIN FEE - GENERAL	441,322	-	-	-	-
RISK MGMT ADMIN FEE - RETIREES	148,175	-	-	-	-
RISK MGMT ADMIN FEE - COBRA	7,672	-	-	-	-
RISK MGMT ADMIN FEE - AIRPORT	3,610	-	-	-	-
RISK MGMT ADMIN FEE-LIBRARY	19,887	-	-	-	-
RISK MGMT ADMIN FEE - HLTHMAP	-	-	-	-	-
RISK MGMT ADMIN FEE - TRANSIT	2,888	-	-	-	-
RISK MGMT ADMIN FEE - ELECTRIC	42,610	-	-	-	-
RISK MGMT ADMIN FEE GAS	11,605	-	-	-	-
RISK MGMT ADMIN FEE WATER	41,808	-	-	-	-
RISK MGMT ADMIN FEE SEWER	15,734	-	-	-	-
RISK MGMT ADMIN FEE-STORMWATER	22,955	-	-	-	-
	4,627,411	5,445,950	5,445,950	4,500,000	(945,950)
<u>Transfers Out</u>					
INTERFUND TRANSFERS	-	38,850	38,850	-	(38,850)
	-	38,850	38,850	-	(38,850)
Total	4,627,411	5,484,800	5,484,800	4,500,000	(984,800)